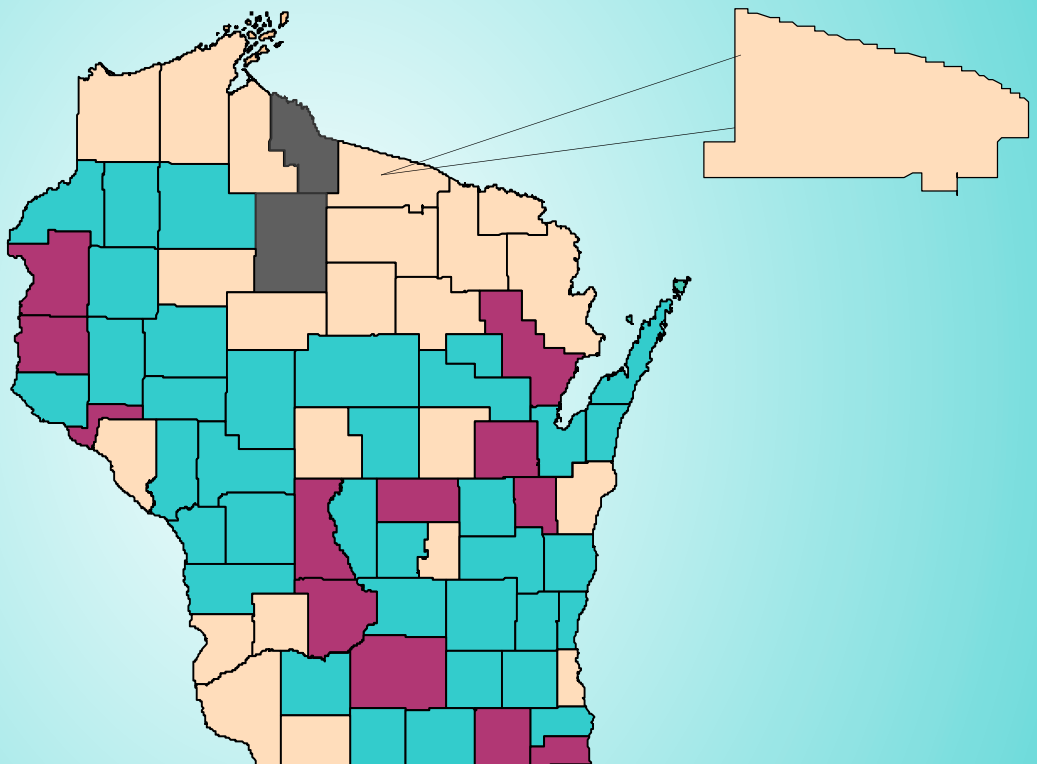


Vilas County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



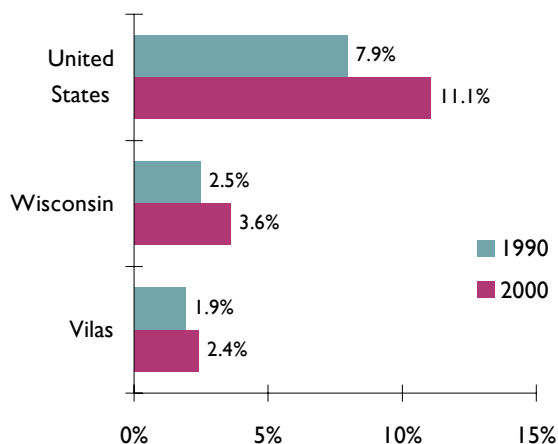
County Population

Population growth affects the supply of workers, the ability to attract employers and the demand for goods and services. Vilas County added about 424 people or 2.0 percent between the April 2000 Census and the January 2002 population estimates. This growth rate matched the national rate and slightly exceeded the statewide rate. Together, Arbor Vitae, Lincoln, Lac du Flambeau and Eagle River gained 424 people, or nearly 52 percent of the county's total gain. This brings them to nearly 49 percent of the total population.

Vilas County had more deaths than births over this time period, so its population would have declined if it were not for strong net migration (people moving in minus people moving out). Generally limited to rural areas, this phenomenon does not indicate how many people moving in have young children. The 2000 Census asked where people had lived in 1995. Roughly following non-metropolitan Wisconsin trends, about 14 percent of Vilas County residents reported having lived in another Wisconsin county in 1995 and roughly 8.8 percent reported having lived outside of Wisconsin in 1995.

The graph below shows how many residents were foreign-born in the 1990 and 2000 censuses. Despite a small increase, Vilas County remained behind the state and well behind the nation. Available data does not suggest that this dynamic will change dramatically in the near term.

Share of Foreign-born Residents

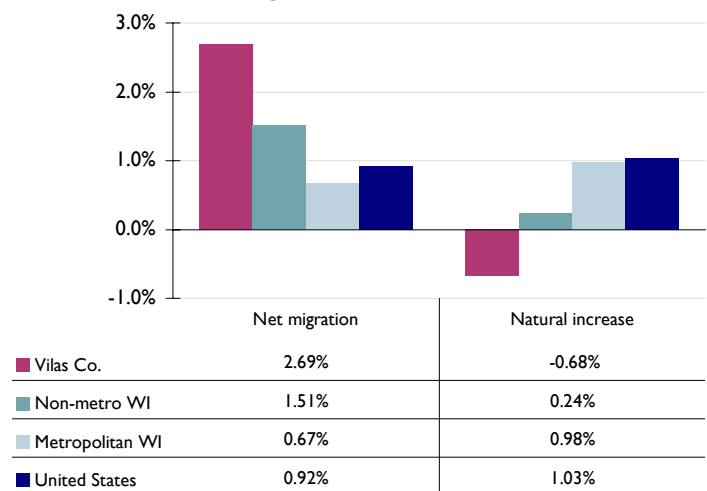


Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-P14

Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Vilas County	21,033	21,457	2.0%
Largest Municipalities			
Arbor Vitae, Town	3,153	3,221	2.2%
Lac du Flambeau, Town	3,004	3,058	1.8%
Lincoln, Town	2,579	2,638	2.3%
St. Germain, Town	1,932	1,962	1.6%
Washington, Town	1,577	1,588	0.7%
Eagle River, City	1,443	1,481	2.6%
Phelps, Town	1,350	1,384	2.5%
Conover, Town	1,137	1,159	1.9%
Boulder Junction, Town	958	971	1.4%
Cloverland, Town	919	944	2.7%

Net migration and natural increase



Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

The county experienced fewer births from 1992 to 2001 than it had between 1982 and 1991. In 2001, 57 percent of Vilas County's births were to mothers under 30 years old and 85 percent were to mothers under 35. Natural increase (or lack thereof) affects population growth and age demographics, and in turn, have an impact on natural increase. The number of female residents in their 20s and 30s affects future birth rates and population growth rates.

Vilas County Workforce Profile

Population Projections by Age Groups in Vilas County

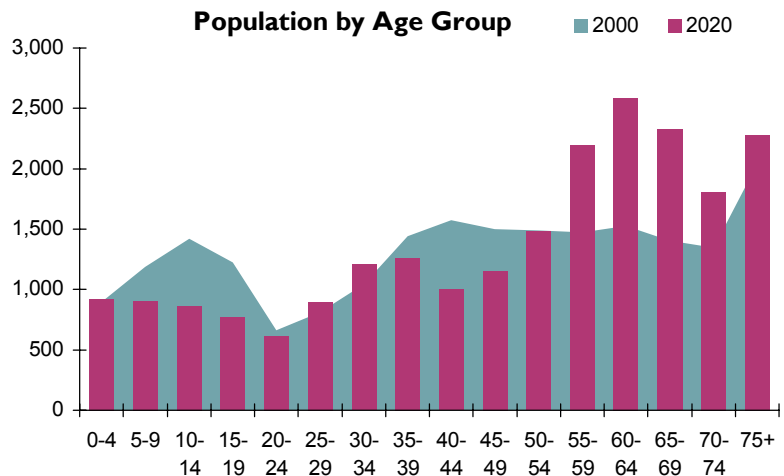
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	472	628	765	645	359	407	514	723	752	756	744	702	743	730	667	862
Female	424	557	655	579	306	403	529	717	820	743	743	772	781	675	679	1,181
2005																
Male	435	496	648	707	484	396	464	575	779	808	842	883	832	772	653	946
Female	415	446	575	626	449	366	474	599	766	883	851	907	864	770	603	1,218
2010																
Male	450	447	502	588	519	526	448	516	615	835	905	1,000	1,061	875	686	977
Female	431	427	452	541	476	524	429	537	637	824	1,014	1,042	1,026	849	679	1,171
2015																
Male	472	451	443	444	418	554	577	488	541	648	920	1,061	1,177	1,106	763	997
Female	451	431	423	416	400	547	592	477	562	676	932	1,214	1,157	991	734	1,177
2020																
Male	472	465	441	385	309	440	598	617	505	564	712	1,077	1,248	1,217	955	1,056
Female	451	444	422	385	304	457	611	646	495	593	768	1,115	1,336	1,109	851	1,223

Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

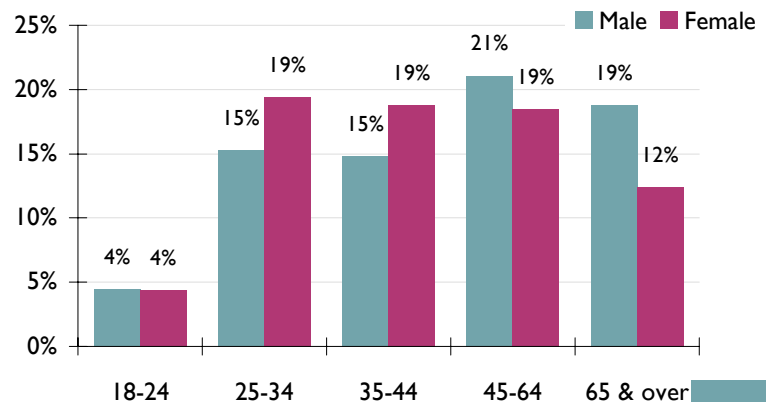
Population projections suggest that Vilas County will gain something like 1,238 people or around 5.8 percent between 2000 and 2020. This is less than half Wisconsin's projected growth of 13.9 percent. As baby-boomers age, three cohorts, (55- to 59-year-olds, 60- to 64-year-olds and 65- to 69-year-olds) will each grow by roughly 718 to 1,060 people, or 49 to 70 percent. Meanwhile, 2 other cohorts (40- to 44-year-olds and 45- to 49-year-olds) will see their ranks thin by about 342 to 572 people or 23 percent to 36 percent.

The group that starts with 655 females aged 10 to 14 in 2000 shrinks to 476 females aged 20 to 24 in 2010 and rebounds to 611 females aged 30 to 34 in 2020. This reflects a sharper dip of college-aged females than non-metropolitan Wisconsin as a whole. Female out-migration is slightly less than male out-migration in Vilas. Counties where students can attend bachelor's degree programs tend to see less out-migration of college-aged residents.

The graph to the right shows that advanced education (a bachelor's degree or more) used to be more common among males than females, but recent decades have reversed this trend. Recent graduates are some of the most mobile workers, and more likely to consider other locales for their industry mix and occupational offerings, so education and population migration can be related.



Percent of age group with at least a Bachelor's degree in Vilas County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force participation rate (LFPR) is the proportion of the eligible population that either works or looks for work. Generally, labor force participation rates tend to peak between the ages of 35 and 54. Members of younger cohorts sometimes occupy themselves with education or parenting. Slowly at age 55, and more quickly at age 62, labor force participation rates fall as older workers leave the labor force.

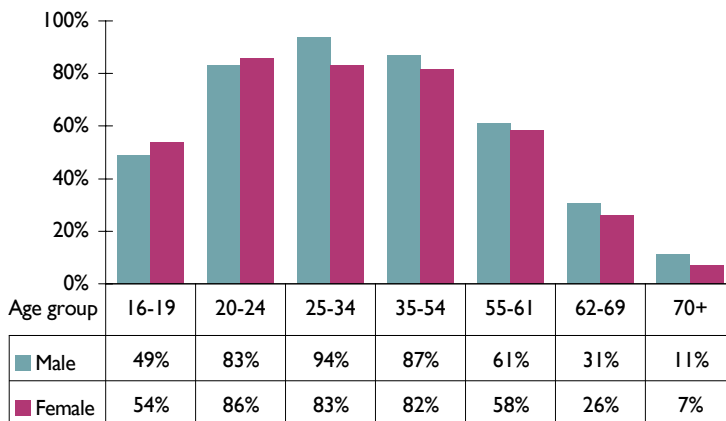
Population trends seen on page 2 cast a different light on labor force participation rates shown in the upper right graph. Large numbers of people will move from the three cohorts between 35 and 49 years old (where LFPR is high) into the cohorts between 55 and 69 (where LFPR is lower). This will pull down the county's overall LFPR.

In recent years, Wisconsin's LFPR has been among the 5 highest in the nation, and Vilas County's has been somewhat lower. (See middle right graph.) The graph to the lower right suggests that the high labor force participation rates of those aged 35 to 54 cannot compensate for their declining numbers. The increase of those aged 55 to 64 will be so great as to overcome their low LFPR and increase their absolute numbers in the labor force. Shifting demographic trends can and will affect employment trends and policies.

In decades past, employers relied on dramatic increases in female LFPR to replace workers leaving the labor force and to keep up with job growth. Today, such sharp increases in female labor force participation are unlikely, particularly among younger cohorts. The upper right graph shows female LFPR exceeding male levels among those aged 16 to 19 or 20 to 24. Together, these trends may prompt employers to ask where replacement workers will come from.

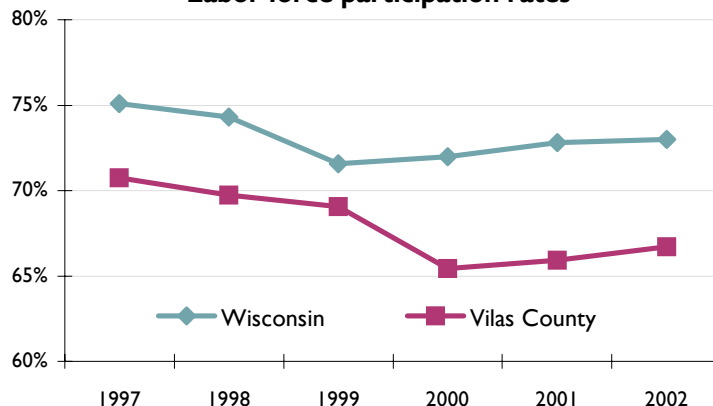
The baby boomers who stay in the labor force longer may find employers modifying compensation and workplace policies to keep them on board. As some baby boomers begin to leave the labor force, they will eventually increase demand for certain types of labor (such as health care and home-related services). Because younger workers often fill these jobs, and because the overall labor force will not grow as quickly as it used to, employers may step up recruitment of younger workers.

Vilas Labor Force Participation by Age & Sex in 2000



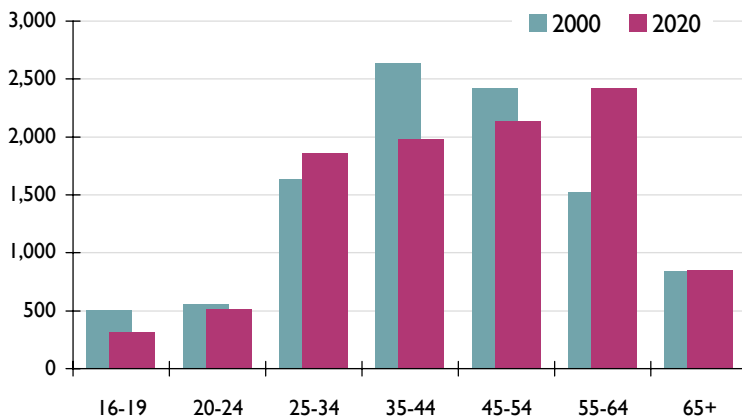
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Vilas County

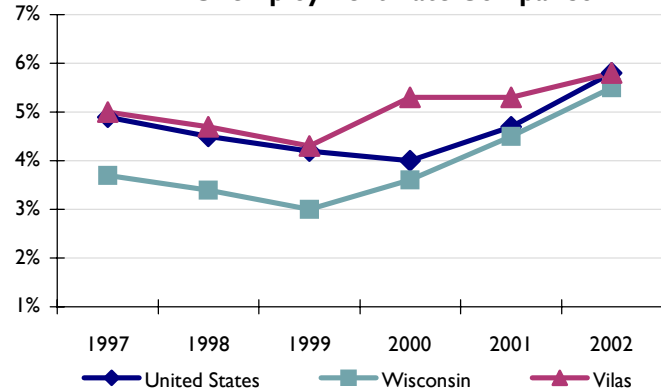


Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Vilas County Workforce Profile

Over the course of 2002, an average of roughly 11,642 Vilas County residents participated in the labor force: about 10,972 were employed and approximately 670 or 5.8 percent were unemployed. Unemployment rose around the same time locally and statewide, which was before the national rate started climbing. From 2001 to 2003, unemployment rates have been considerably higher than the heydays of the late 1990s, and often just below or just above highs seen in 1991 and 1994. Mildly encouraging signs emerged in the autumn of 2003; the winter of 2003-2004 will show how they play out.

Unemployment Rate Comparison



Vilas County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	11,086	11,092	11,015	10,929	11,279	11,642
Employed	10,527	10,572	10,540	10,355	10,685	10,972
Unemployed	559	520	475	574	594	670
Unemployment Rate	5.0%	4.7%	4.3%	5.3%	5.3%	5.8%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Vilas County is part of Wisconsin's north central region. In its upper portion, the table to the right lists those occupations projected to experience the fastest proportional growth between 2000 and 2010. An occupation starting with few jobs doesn't need to add many to grow quickly. Altogether, the fastest-growing occupations accounted for 1.9 percent of the region's jobs in 2000 and are expected to account for 2.6 percent of the region's jobs in 2010, so it is not an exhaustive list of opportunities. The list does not support the notion that most jobs require a bachelor's degree.

In its lower portion, the table lists those occupations projected to generate the most openings between 2000 and 2010. The less training a job requires, the less likely an employer is to invest in retention incentives (such as wage or benefit increases). Nursing requires more training than the other occupations generating the most openings. Challenging work schedules and conditions contribute to turnover, yet nursing programs have long waiting lists. As many nurses and nursing instructors approach retirement, aging baby-boomers will increase demand.

North Central Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Support Specialists	Associate degree	\$16.29
	Computer Software Engrs Apps	Bachelor's degree	\$30.39
	Medical Records/Health Info Techs	Associate degree	\$12.12
	Network/Computer Systems Admin	Bachelor's degree	\$22.28
	Personal and Home Care Aides	1-month or less training	\$8.66
	Medical Assts	1-12 mo. on-the-job training	\$11.67
	Social/Human Service Assts	1-12 mo. on-the-job training	\$10.71
	Computer Systems Analysts	Bachelor's degree	\$24.16
	Computer/Information Systems Mgrs	Work experience & degree	\$33.51
	Surgical Technologists	Postsecondary voc. trng	\$13.89
Most Openings	Cashiers	1-month or less training	\$7.21
	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$7.03
	Retail Salespersons	1-month or less training	\$9.11
	Waiters/Waitresses	1-month or less training	\$6.50
	Registered Nurses	Bachelor's degree	\$22.18
	Labrs/Frght/Stock/Matrl Movers/Hand	1-month or less training	\$10.50
	Labrs/Frght/Stock/Matrl Movers/Hand	1-month or less training	\$10.50
	Office Clerks/General	1-month or less training	\$9.80
	Stock Clerks/Order Fillers	1-month or less training	\$9.60
	Janitors/Cleanrs Ex Maids/Hskpng	1-month or less training	\$9.82

* The most common way to enter the occupation, not the only way

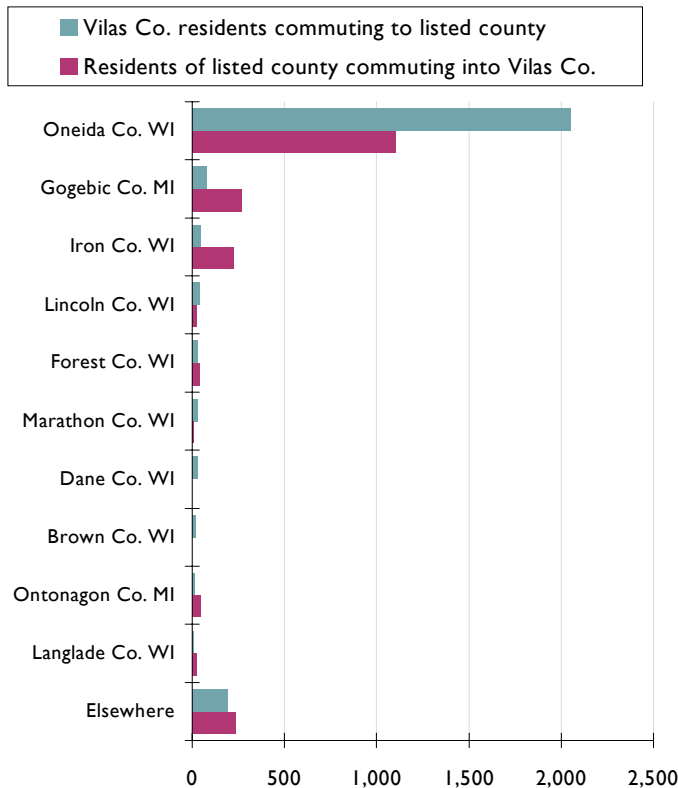
** Wages from Occupation Employment Statistics survey responses for region, 2001

North Central WDA includes Adams, Forest, Langlade, Lincoln, Marathon, Oneida, Portage, Vilas and Wood counties.

Source: WI DWD, Bureau of Workforce Information, 2002

County Commuting Patterns

In April 2003, the Census Bureau released county-to-county worker flow files. The Census reported that approximately 2,544 Vilas County residents worked outside the county (about 29 percent of working residents by their count). At the same time, roughly 1,982 workers from other counties commuted in (roughly 24 percent of the people filling Vilas County jobs by their count).



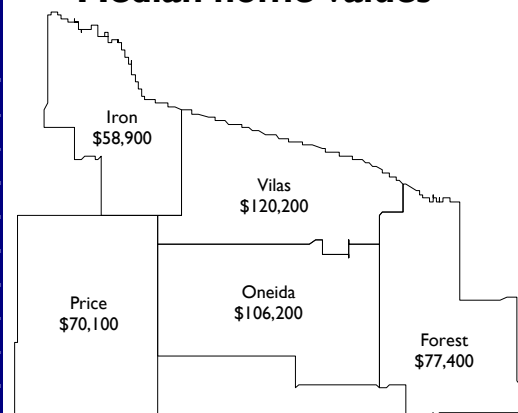
Reasons for commuting vary, but relevant factors include geography, employment conditions, wages and housing costs. Geographically, the population is not centralized. Municipalities relatively near county borders include Arbor Vitae, Lac Du Flambeau, St. Germain, Eagle River and Phelps. Some people may cross county lines without traveling great distances. The Census reported that 67 percent of Vilas County's working residents commuted less than 20 minutes and 78 percent commuted less than 30 minutes.

Employment conditions in the area present a complex picture. The crudest measure, the 2002 unemployment rate, was lower in Vilas County (5.8%) than in Oneida County (6.4%), Gogebic County (7.3%) or Iron County (8.5%). In terms of total number of reported jobs in 2002, Vilas (8,420) was larger than Iron (2,370) and Gogebic, but smaller than Oneida (17,737). Vilas and Gogebic have high concentrations of leisure & hospitality jobs, which are more likely to be seasonal, part-time or otherwise limiting. Proportional to their respective totals, Iron and Gogebic have higher concentrations of manufacturing jobs, while Oneida probably pulls in workers with jobs and high wages in its education & health services sector.

The map below suggests that housing dollars would go further in Oneida and surrounding counties than in Vilas, which contains more acres of internal lakes than any other Wisconsin county. These lakes may also add to the likelihood that people moving in have retired from the labor force, thus pulling down the labor force participation rate.

	Vilas Co. residents commuting to listed county	Residents of listed county commuting into Vilas Co.	Net gain or loss of workers
Oneida Co. WI	2,051	1,106	-945
Gogebic Co. MI	76	269	193
Iron Co. WI	50	224	174
Lincoln Co. WI	41	23	-18
Forest Co. WI	31	41	10
Marathon Co. WI	30	9	-21
Dane Co. WI	27	2	-25
Brown Co. WI	21	not avail.	not avail.
Ontonagon Co. MI	13	47	34
Langlade Co. WI	12	24	12
Elsewhere	192	237	45

Median home values



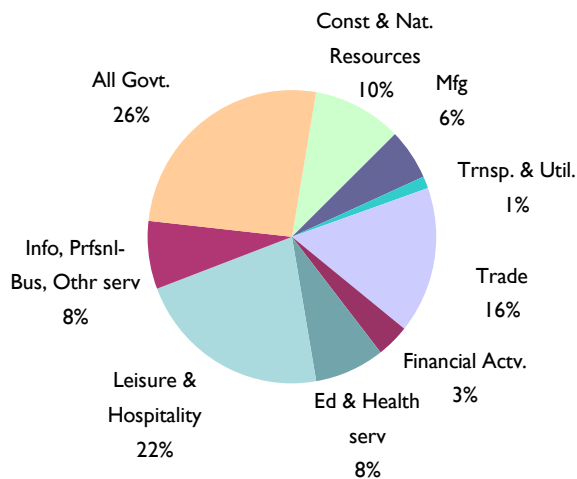
Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files

Census 2000, Summary File 3, QT-H14

Industry Employment - Introducing NAICS (North American Industry Classification System)

From the 1930s to 2002, some version of the Standard Industrial Classification (SIC) system has defined categories for employment-by-industry estimates. Beginning in 2003, the North American Industry Classification System (NAICS) replaces SIC. The table below lists each system's major categories. A quick glance shows that NAICS offers categories for which data was previously unavailable (like education & health services or leisure & hospitality) and that NAICS offers less detail elsewhere (retail & wholesale trade collapse into one category for non-metropolitan areas).

Vilas County Industry Distribution: 2002



The table below hides one wrinkle that may be the most important aspect of SIC-to-NAICS conversion. **Even if a category carries an identical title, like “manufacturing”, its definition changed, so meaningful comparisons of SIC data to NAICS data are very limited.** The SIC definition of manufacturing included establishments that now reside in the services category. Elements of printing are now in information services; some establishments providing professional, technical, administrative or support services may have moved from manufacturing into services. These are just a few examples of changes that limit detailed, direct comparisons of historical SIC data to current NAICS data. (Also, NAICS data was revised with newly available information, while SIC was not, due to its discontinuation.)

Under SIC, restaurants and bars were under retail trade, while NAICS puts them in the newly-created leisure & hospitality sector. Other establishments in the leisure & hospitality sector (such as hotels and lodging facilities) came from the services sector of SIC. There is no accurate or reliable way to compare old trade or services numbers to the new ones.

This page shows employees of public schools and colleges with government. Other pages group them with education & health services. More directly than SIC, NAICS shows the continuing importance of the leisure & hospitality industry.

2002 Industry Employment in Vilas County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	854	10%	Construction & Mining	10%
Manufacturing	484	6%	Manufacturing	5%
Transportation, warehousing & utilities	113	1%	Transportation, utilities & communication	2%
Trade (wholesale & retail)	1,403	16%	Wholesale trade	3%
			Retail trade	28%
Financial activities	293	3%	Finance, insurance & real estate	3%
Information, professional & business services, other services	648	8%	Services & misc (incl. agr, forestry, fishing)	22%
Education and health services	686	8%	Government	25%
Leisure & hospitality	1,874	22%		
Government	2,251	26%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Vilas County Workforce Profile

Listed in the table in the middle of the page, the ten largest employers in Vilas County accounted for roughly 26 percent of the payroll jobs reported in the county in the first quarter of 2003. Due to seasonal variances and other factors, specific ranks are not necessarily constant or telling. Listed in the top table, the ten largest industry groups provided approximately 55 percent of the county's total jobs.

This list reflects the growing importance of tourism in the county. Both the top employer list and the top industry list suggest that most establishments in the county have fewer than one hundred employees. The Lac du Flambeau Band of Lake Superior Chippewa tribe is a sovereign nation, and its employees (including resort and casino employees) are grouped with government employees.

Top 10 Industry Groups in Vilas County

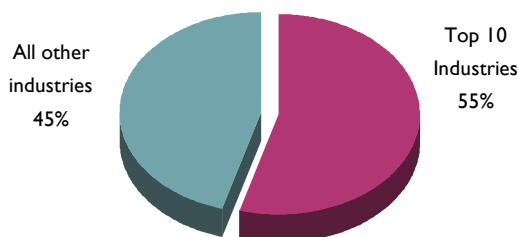
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Executive, Legislative, & Gen Government	16	1,175	-58
Food Services and Drinking Places	101	863	-50
Educational Services	8	698	25
Accommodation	57	377	17
Food and Beverage Stores	11	331	-16
Construction of Buildings	52	287	-25
Specialty Trade Contractors	82	287	3
Nursing and Residential Care Facilities	7	270	40
Wood Product Manufacturing	7	221	-33
Motor Vehicle and Parts Dealers	20	182	3

*data suppressed to maintain confidentiality

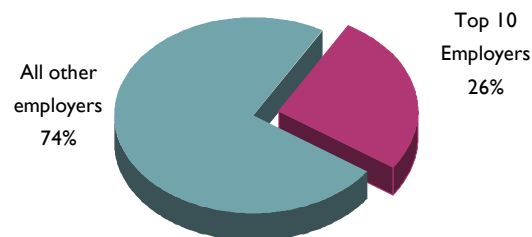
Top 10 Employers in Vilas County

Company	Product or Service	Size
Lac du Flambeau Chippewa Tribe	General government, not elsewhere classified	500-999
Northland Pines Schools	Elementary & secondary schools	250-499
County of Vilas	Executive & legislative government	100-249
T A Solberg Co, Inc.	Caterers	100-249
Lac du Flambeau Public School	Elementary & secondary schools	100-249
Bonsons Foods, Inc.	Supermarkets and other grocery stores (not convenience)	100-249
Howard Young Medical Group	Health care	100-249
Nagel Lumber Co, Inc.	Sawmill and planer mill	50-99
Northwoods Medical Center, Inc.	Nursing care facilities	50-99
Conserve School Corp.	College preparatory boarding school	50-99

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Vilas County Workforce Profile

Overall, Vilas County employers reported paying about 32 percent less than the statewide all-industries wage, with results varying by industry. Education & health services wages (\$29,407) were well above the county's all-industries average (\$21,967) and closer to the statewide industry average (\$33,768) than most industries in the county. From 2001 to 2002, the county's education & health services wages rose faster than any industry except manufacturing (which lost workers over the year). Leisure & hospitality wages (\$11,721) were fairly close to statewide average wages for the industry (\$11,837), but just over half the all-industries average wage (\$21,976). Seasonal and part-time schedules limit these wages. The dip in leisure & hospitality employment in 2002 helped the all-industries average wage grow faster. Among the county's 1,612

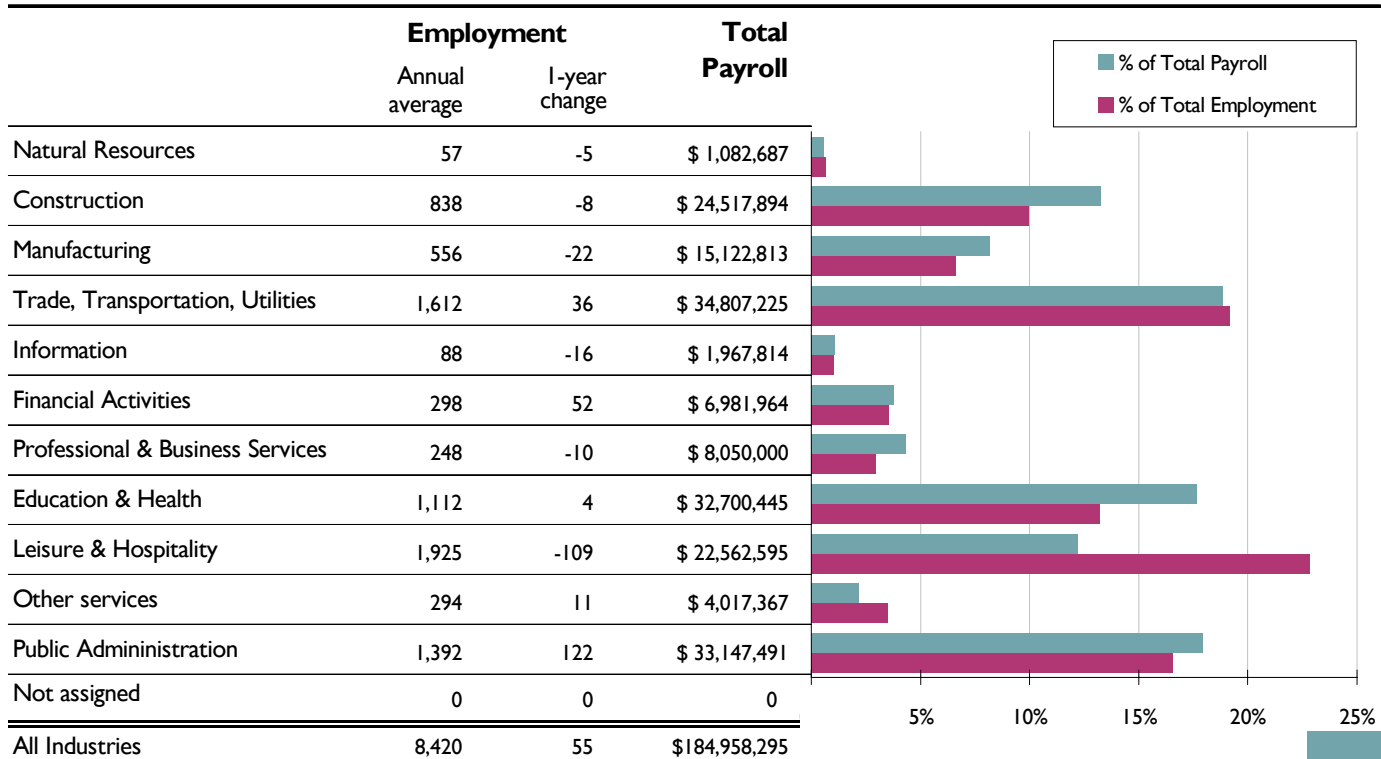
Average Annual Wage by Industry Division in 2002

	Average Annual Wage		Percent of	I-year
	Wisconsin	Vilas County	Wisconsin	% change
All Industries	\$ 32,422	\$ 21,967	68%	4.4%
Natural resources	\$ 25,481	\$ 18,995	75%	-1.3%
Construction	\$ 39,649	\$ 29,258	74%	2.4%
Manufacturing	\$ 40,584	\$ 27,199	67%	8.1%
Trade, Transportation, Utilities	\$ 28,422	\$ 21,593	76%	6.3%
Information	\$ 38,871	\$ 22,362	58%	-10.2%
Financial activities	\$ 40,337	\$ 23,429	58%	-0.1%
Professional & Business Services	\$ 36,324	\$ 32,460	89%	6.5%
Education & Health	\$ 33,768	\$ 29,407	87%	7.1%
Leisure & Hospitality	\$ 11,837	\$ 11,721	99%	5.3%
Other services	\$ 19,500	\$ 13,665	70%	-0.5%
Public Administration	\$ 33,769	\$ 23,813	71%	-2.2%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

jobs in trade, transportation & utilities, 1,232 or 76 percent were in retail. Wages in utilities (\$46,600) and wholesale trade (\$34,349) were higher than in retail (\$18,874). Public administration (including tribal employment) added more jobs than any other sector in 2002. New hires may have pulled down wages.

2002 Employment and Wage Distribution by Industry in Vilas County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income

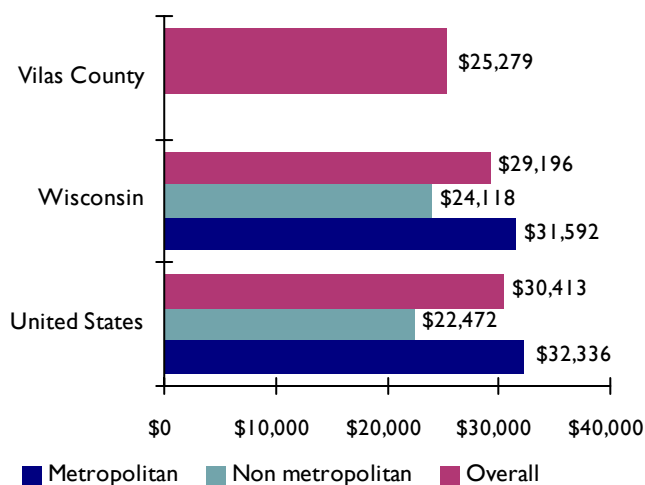
In 2001, Vilas County's per capita personal income (PCPI) of \$25,279 was slightly above non-metropolitan Wisconsin's PCPI (\$24,118) and above the national non-metropolitan PCPI (\$22,472). Between 1996 and 2001, Vilas County's PCPI climbed from 2.1 percent above non-metropolitan Wisconsin's PCPI to 4.8 percent above non-metropolitan Wisconsin's PCPI. Meanwhile, Vilas County PCPI climbed from 7.5 percent above the national non-metropolitan PCPI to being 12.5 percent above the national non-metropolitan PCPI).

Growth in PCPI relates to demographic shifts (see pages 2 and 3). As a greater share of the population enters retirement, more residents rely on transfer payments (such as Social Security) and fewer have net earnings (typically associated with employment). Transfer payments grow much more slowly than net earnings. Households with substantial investment income (dividends, interest or rent, including retirement or pension plans) are more likely to consider warmer climates for retirement, so PCPI growth may slow considerably.

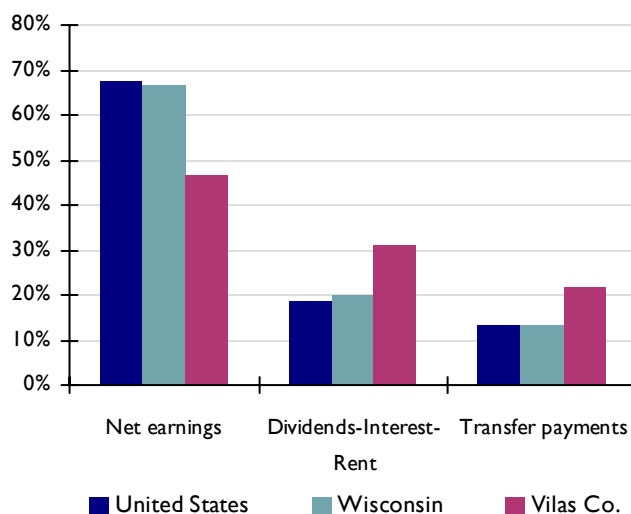
Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Vilas County	\$19,514	\$20,881	\$22,397	\$23,053	\$24,737	\$25,279	2.2%	29.5%

2001 PCPI



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

Profile author:

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